Senate Finance, Ways & Means Committeee

Amendment No. 1

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2 to SB1315 Signature of Sponsor

AMEND Senate Bill No. 1315*

House Bill No. 1532

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-4-902(32), is amended by deleting the words and punctuation "other similar courses." and by substituting instead the language "other similar courses according to the uniform system of weighting of courses adopted by the state board of education under § 49-1-302(a)(18).".

SECTION 2. Tennessee Code Annotated, Section 49-4-907(3)(A), is amended by deleting the word "unweighted" and by substituting instead the word "weighted".

SECTION 3. Tennessee Code Annotated, Section 49-4-920(a)(5), is amended by deleting the word "unweighted" and by substituting instead the word "weighted".

SECTION 4. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as new, appropriately designated subdivisions:

- () "Dual enrollment grant" means a grant for study at an eligible postsecondary institution that is funded from net proceeds of the state lottery and awarded to students who are attending high school and who are also enrolled in college courses at eligible postsecondary institutions for which they will receive college credit;
- () "Entering freshman" means a student entering a postsecondary institution who has not attempted any semester hours at any postsecondary institution after graduating from high school, completing high school in a home school program, or obtaining a GED;
- () "Junior" means a student who has attempted at least forty-eight (48) semester hours, but less than seventy-two (72) semester hours;

() "Nontraditional student" means a student who is at least twenty–five(25) years of age and who enrolls in an eligible postsecondary institution as an entering freshman after July 1, 2005;

SECTION 5. Tennessee Code Annotated, Section 49-4-907, is amended by deleting the words and punctuation "To be eligible for a Tennessee HOPE scholarship," and substituting instead the words and punctuation "To be eligible for a Tennessee HOPE scholarship as an entering freshman,".

SECTION 6. Tennessee Code Annotated, Section 49-4-907, is amended by deleting subdivision (2) in its entirety and substituting instead the following:

(2) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after graduation from high school; and

SECTION 7. Tennessee Code Annotated, Section 49-4-908, is amended by deleting the words and punctuation "To be eligible for a Tennessee HOPE scholarship," and substituting instead the words and punctuation "To be eligible for a Tennessee HOPE scholarship as an entering freshman,".

SECTION 8. Tennessee Code Annotated, Section 49-4-908, is amended by deleting subdivision (3) in its entirety and substituting instead the following:

(3) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after completing high school in a Tennessee home school program, obtaining a GED, or graduating from high school.

SECTION 9. Tennessee Code Annotated, Section 49-4-916(a), is amended by deleting the word "and" at the end of subdivision (4) and by deleting subdivision (5) in its entirety and substituting instead the following:

- (5) Apply for a General Assembly Merit Scholarship; and
- (6) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after graduating from high school.

SECTION 10. Tennessee Code Annotated, Section 49-4-916(b), is amended by deleting the word "and" at the end of subdivision (3), by deleting the punctuation "." at

the end of subdivision (4) and substituting instead the punctuation ";", and by adding the following language as new subdivisions (5) and (6):

- (5) Apply for a General Assembly Merit Scholarship; and
- (6) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after completing high school in a Tennessee home school program or graduating from high school.

SECTION 11. Tennessee Code Annotated, Section 49-4-920(a), is amended by deleting the language "To be eligible for a Tennessee HOPE access grant, a freshman student" and by substituting instead the language "To be eligible for a Tennessee HOPE access grant, an entering freshman student".

SECTION 12. Tennessee Code Annotated, Section 49-4-920(a)(3), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(3) Apply for a Tennessee HOPE access grant and file a FAFSA;

SECTION 13. Tennessee Code Annotated, Section 49-4-920(a), is amended by deleting the word "and" at the end of subdivision (5); by deleting the punctuation "." at the end of subdivision (7) and by substituting instead the punctuation and word "; and" and by adding the following language as new subdivision (8):

(8) Be admitted to and enroll in an eligible postsecondary institution no later than sixteen (16) months after graduation from an eligible high school.

SECTION 14. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new section:

§ 49-4-9__.

- (a) To be eligible for a Tennessee HOPE scholarship as a transfer student from a regionally accredited postsecondary institution located outside of Tennessee, a student shall:
 - (1) Not be ineligible for the scholarship under § 49-4-904;
 - (2) Meet the requirements of § 49-4-905;

- (3) Be admitted to and enroll in a regionally accredited postsecondary institution located outside of Tennessee;
- (4) Maintain satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs by the regionally accredited postsecondary institution in which the student is enrolled;
 - (5) Apply for a Tennessee HOPE scholarship; and
- (6) Be admitted to and enroll in an eligible postsecondary institution.
- (b) This section shall only apply to students who are eligible for a Tennessee HOPE scholarship as an entering freshmen, but who choose to attend an regionally accredited postsecondary institution located outside of Tennessee without a HOPE scholarship; provided, that such student enrolls in the regionally accredited postsecondary institution located outside of Tennessee no later than sixteen (16) months after graduating from an eligible high school, graduating from a high school located in Tennessee, completing high school in a Tennessee home school program or obtaining a GED;
- (c) If the student transfers to an eligible postsecondary institution before attempting forty-eight (48) semester hours, then the student shall have a cumulative grade point average of at least 2.75 at the time of transfer to be eligible academically for the scholarship. If the student transfers to an eligible postsecondary institution after attempting forty-eight (48) semester hours or more, then the student shall have a cumulative grade point average of at least 3.0 at the time of transfer to be eligible academically for the scholarship.
- (d) To continue to receive a Tennessee HOPE scholarship, such student shall meet the requirements of § 49-4-911. A HOPE scholarship awarded under this section shall be subject to the provisions of § 49-4-913.

- (e) A student who is eligible for a Tennessee HOPE scholarship under this section and who also meets the qualifications for a General Assembly Merit Scholar supplemental award shall be eligible for such supplemental award. A student whose adjusted gross income does not exceed the amount set in § 49-4-915(a)(2) shall be eligible for a supplemental award for need. Pursuant to § 49-4-917, a student may not receive both the supplemental award for need and the supplemental award as a General Assembly Merit scholar.
- (f) A student who would have been eligible to receive a Tennessee HOPE scholarship under § 49-4-909, but who chose to remain at a regionally accredited postsecondary institution located outside of Tennessee instead of enrolling in an eligible postsecondary institution for the 2004-2005 academic year, may apply for a Tennessee HOPE scholarship under this section provided such student meets all applicable requirements for the scholarship.

SECTION 15. Tennessee Code Annotated, Section 49-4-911, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) A student receiving a Tennessee HOPE scholarship who ceases to be academically eligible for the scholarship because the student fails to achieve the cumulative grade point average required at the end of the semester in which the student has attempted a total of twenty-four (24), forty-eight (48), or seventy-two (72) semester hours, or ninety-six (96) semester hours, if the student is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours, may regain the HOPE scholarship, if the student continues to meet all applicable nonacademic requirements for the scholarship, attends an eligible postsecondary institution without the HOPE scholarship, achieves a cumulative grade point average of at least 3.0 at the end of any semester in which eligibility would have been reviewed under this section had the student not lost the scholarship, and reapplies for the scholarship. A student who regains the scholarship and then loses the scholarship a second

time by failing to achieve a cumulative grade point average of at least 3.0 at the end of a subsequent semester in which academic qualifications are reviewed may not regain the scholarship. No retroactive award of a Tennessee HOPE scholarship shall be made under this subsection for semester hours attempted in order to regain the scholarship.

(d) If a student ceases to be eligible for a Tennessee HOPE scholarship at any time for any reason other than failure to maintain the required cumulative grade point average, then the student shall not be able to regain the Tennessee HOPE scholarship.

SECTION 16. Tennessee Code Annotated, Section 49-4-916, is amended by deleting subsection (e) in its entirety and by substituting instead the following:

(e) If a student receiving a General Assembly Merit Scholarship ceases to be academically eligible for the General Assembly Merit Scholarship by failing to maintain the required cumulative grade point average at the end of any semester in which academic eligibility is reviewed under § 49-4-911, then the student may regain the Tennessee HOPE scholarship award under § 49-4-911(c), but may not regain the General Assembly Merit Scholar supplemental award. If a student receiving a General Assembly Merit Scholarship ceases to be eligible for a General Assembly Merit Scholarship at any time for any reason other than failure to maintain the required cumulative grade point average, then the student shall not be able to regain either the Tennessee HOPE scholarship or the General Assembly Merit Scholar supplemental award.

SECTION 17. Tennessee Code Annotated, Section 49-4-920(e), is amended by designating the existing language as subdivision (1) and by adding the following language as new subdivision (2):

(2) If a student receiving a Tennessee HOPE access grant does not achieve a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted twenty-four (24) semester hours,

but the student, without financial assistance from lottery proceeds, continues to attend an eligible postsecondary institution and achieves a cumulative grade point average of at least 3.0 at the end of the semester in which the student has attempted forty-eight (48), seventy-two (72), or ninety-six (96) semester hours or one hundred twenty (120) semester hours, if the student is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours, then the student shall be eligible for a Tennessee HOPE scholarship, if the student meets all other applicable requirements. If such student's adjusted gross income at the time at which such student achieves academic eligibility does not exceed thirty-six thousand dollars (\$36,000), the student shall be eligible for a supplemental award under § 49-4-915.

SECTION 18. Tennessee Code Annotated, Section 49-4-926(b), is amended by deleting subdivision (1) in its entirety and by substituting instead the following new, appropriately designated subdivisions:

- () "Dependent child" means a natural or adopted child or stepchild whom a military parent claims as a dependent for federal income tax purposes; provided, however, that such child is under twenty-one (21) years of age and resides in another state or nation only while the military parent is engaged in active military service, on full-time national guard duty, or actively employed by the department of defense;
 - () "Military parent" means a parent of a dependent child who is:
 - (A) A member of the armed forces engaged in active military service of the United States and stationed on active duty outside of Tennessee:
 - (B) A member of the Tennessee national guard engaged in active military service of the United States and stationed on active duty outside of Tennessee; or

(C) A full-time civilian employee of the department of defense working outside of Tennessee;

SECTION 19. Tennessee Code Annotated, Section 49-4-926(a), is amended by deleting the first sentence of the subsection and by substituting instead the following:

Notwithstanding any provision of this part to the contrary, a student who is a

Tennessee citizen and a dependent child of a military parent shall be eligible for a Tennessee HOPE scholarship as an entering freshman, if such student meets all eligibility requirements for such scholarship except that, while the parent is a military parent, the student does not reside in Tennessee immediately preceding the date of application for financial assistance and the student did not graduate from an eligible high school as defined in § 49-4-902(7), graduate from a Tennessee high school that is not an eligible high school, complete high school in a Tennessee home school program, or obtain a GED from a state-approved institution or organization.

SECTION 20. Tennessee Code Annotated, Section 49-4-926, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

- (c) This section shall apply only to:
- (1) Dependent children of members of the armed forces or Tennessee national guard whose home of record at the time of entry into military service was determined to be Tennessee; and
- (2) Dependent children of full-time civilian employees of the United States department of defense who are legal residents of Tennessee.

SECTION 21. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section.

Section 49-4-9

- (a) A high school student who is also enrolled in an eligible postsecondary institution shall be eligible for a dual enrollment grant, if the student:
 - (1) Is not ineligible for the grant under § 49-4-904;
 - (2) Is a Tennessee resident and has been a Tennessee resident, as defined by regulations promulgated by the board of regents under § 49-8-104, for at least one (1) year immediately preceding the date of application for a grant or for the renewal of a grant;
 - (3) Is admitted to an eligible postsecondary institution as a dual enrollment student; and
 - (4) Makes application for the dual enrollment grant.
- (b) A student who receives a dual enrollment grant for one (1) semester shall reapply for a dual enrollment grant for the student's next semester of attendance at an eligible postsecondary institution. To be eligible for a dual enrollment grant for a semester beyond the first semester of receipt, the student shall continue to meet all eligibility requirements for the grant and shall achieve a cumulative grade point average of 2.75 for all postsecondary courses attempted under a dual enrollment grant.
- (c) Semester hours attempted under a dual enrollment grant shall not count under § 49-4-913 toward the total semester hours attempted at postsecondary institutions for purposes of Tennessee HOPE scholarship eligibility.
- (d) It is the intent of the general assembly that funding for Tennessee HOPE scholarships, Tennessee HOPE access grants, and Wilder-Naifeh technical skills grants take priority over funding for dual enrollment grants.

 Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the award for a credit hour

taken under a dual enrollment grant shall be determined by TSAC and shall not exceed the cost per credit hour of courses taken at community colleges in the state university and community college system.

(e) Grants awarded under this section shall not commence prior to the fall semester of 2005.

SECTION 22. Tennessee Code Annotated, Section 49-4-911, is amended by adding the following as a new, appropriately designated subsection:

() Notwithstanding provisions of subsections (a) and (b) and § 49-4-902(24) to the contrary, a student may choose to repeat one (1) course one (1) time and have such student's cumulative grade point average for the purposes of determining whether the student meets the continuation requirements of subsections (a) and (b) calculated as if the only attempt at the course was the attempt in which the highest grade was achieved. Only one (1) course may be repeated for favorable treatment in calculating the grade point average under this subsection. TSAC shall promulgate rules and regulations to effectuate the purposes of this subsection. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 23. Tennessee Code Annotated, Section 49-4-914(a), is amended by deleting the language "2004-2005" in the second sentence of the subsection and substituting instead the language "2005-2006" and by adding the following sentence between the first and second sentences:

Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Tennessee HOPE scholarship awarded to a student attending an eligible four-year postsecondary institution shall be three thousand three hundred dollars (\$3,300) for full-time attendance for the 2005-2006 academic year.

SECTION 24. Tennessee Code Annotated, Section 49-4-914(b), is amended by deleting the language "2004-2005" in the second sentence of the subsection and substituting instead the language "2005-2006" and by adding the following sentence between the first and second sentences:

Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution shall be one thousand six hundred fifty dollars (\$1,650) for full-time attendance for the 2005-2006 academic year.

SECTION 25. Tennessee Code Annotated, Section 49-4-915(b), is amended by deleting the language "2004-2005" in the third sentence and by substituting instead the language "2005-2006" and by adding the following sentence between the second and third sentences:.

Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the supplemental award for full-time students shall be one thousand five hundred dollars (\$1,500) for the 2005-2006 academic year.

SECTION 26. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section.

Section 49-4-9

- (a) To be eligible for a Tennessee HOPE scholarship, a nontraditional student shall:
 - (1) Not be ineligible for the scholarship under § 49-4-904;
 - (2) Meet the requirements of § 49-4-905(a). The provisions of § 49-4-905(b) shall not apply to nontraditional students seekingTennessee HOPE scholarships;

- (3) Have an adjusted gross income attributable to the student that does not exceed thirty-six thousand dollars (\$36,000);
- (4) Attend an eligible postsecondary institution and attempt at least twenty-four (24) semester hours;
- (5) Maintain satisfactory progress in a course of study in accordance with the standards and practices used for federal Title IV programs at the postsecondary institution attended;
- (6) Maintain continuous enrollment at the eligible postsecondary institution attended; and
 - (7) Apply for a Tennessee HOPE scholarship.
- (b) A nontraditional student shall be eligible for a Tennessee HOPE scholarship at the end of the semester in which the student has attempted a total of twenty-four (24) semester hours, if the student has a cumulative grade point average of at least 2.75. A nontraditional student who does not achieve a cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted a total of twenty-four (24) semester hours shall be eligible for a Tennessee HOPE scholarship, if the student achieves a cumulative grade point average of at least 3.0 at the end of any semester in which eligibility is reviewed under § 49-4-911.
- (c) To continue to receive a Tennessee HOPE scholarship, such student shall meet the requirements of § 49-4-911. A HOPE scholarship awarded under this section shall be subject to the provisions of § 49-4-913.
- (d) A nontraditional student shall not be eligible for a supplemental award for need under § 49-4-915 or a General Assembly Merit Scholar supplemental award under § 49-4-916.
- (e) No retroactive award of a Tennessee HOPE scholarship shall be made under this section.

SECTION 27. Tennessee Code Annotated, Section 49-4-902(8), is amended by adding the following language as a new, appropriately designated subdivision:

- () A private, four-year postsecondary institution that:
- (i) Has been chartered in Tennessee as a not-for-profit entity for at least thirty (30) consecutive years;
- (ii) Has had its primary campus domiciled in Tennessee for at least thirty (30) consecutive years;
- (iii) Is accredited by an accrediting agency that is recognized by the United States Department of Education and the council on higher education accreditation;
 - (iv) Awards associate or baccalaureate degrees; and
- (v) As of May 1, 2005, has an articulation agreement with an institution of the state university and community college system or the University of Tennessee system.

SECTION 28. Tennessee Code Annotated, Section 49-4-914, is amended by adding the following language as a new, appropriately designated subsection:

() Notwithstanding the provisions of subsection (b) to the contrary, beginning with the 2005-2006 academic year and for academic years thereafter, the amount of a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution who resides in on-campus housing shall be the same as the amount of the Tennessee HOPE scholarship awarded to students attending eligible four-year postsecondary institutions.

SECTION 29. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following as a new, appropriately designated section:

Section 49-4-9__.

(a) The Tennessee Student Assistance Corporation (TSAC) shall conduct a lottery scholarship day each school year. The purpose of such day shall be to inform high school students and their parents of financial assistance

available from net lottery proceeds for attendance at eligible postsecondary institutions. The Tennessee higher education commission, the University of Tennessee system, and the state university and community college system shall provide assistance to TSAC in the planning and conducting of the event. TSAC may also seek assistance from community groups, churches, and the eligible independent postsecondary institutions in the planning and conducting of the annual lottery scholarship day and in encouraging students and parents to attend.

- (b) On the annual lottery scholarship day, TSAC shall provide grade appropriate information concerning, but not limited to:
 - (1) Eligibility requirements for the various lottery scholarships;
 - (2) Admission standards for eligible postsecondary institutions, the differences between such standards and the eligibility requirements for scholarships, and the differences in admission standards among the eligible postsecondary institutions;
 - (3) Computation of grade point averages for lottery scholarship eligibility, both high school grade point averages for initial eligibility and college grade point averages for retention of scholarships; and
 - (4) Testing dates for the ACT and SAT, the differences between these tests, and the use of such tests in admission decisions by eligible postsecondary institutions.
- (c) Twelfth grade students and their parents shall be provided workshops on filling out college applications and the FAFSA. Such students and their parents shall have the opportunity to complete the FAFSA at such workshops.
- (d) TSAC shall enlist the assistance of the department of education,
 LEAs, and local schools in informing students on lottery scholarship day of the
 necessity of passing Gateway tests for graduation from high school and the

consequences of failure to pass such tests with respect to further educational opportunities.

(e) At the conclusion of the lottery scholarship day, TSAC shall provide a list to each high school of the students from the school that attended the day in order that the high school may ensure that all students not attending receive information on lottery scholarships, college admission standards, and other requirements for college attendance.

SECTION 30.

- (a) Tennessee Code Annotated, Section 49-4-906, is amended by deleting the word "supplemental" wherever it appears and by substituting instead the word "ASPIRE".
- (b) Tennessee Code Annotated, Section 49-4-915, is amended by deleting the word "supplemental" wherever it appears and by substituting instead the word "ASPIRE".
- (c) Tennessee Code Annotated, Section 49-4-917, is amended by deleting the section in its entirety and by substituting instead the following:

 Students may receive either the ASPIRE award under § 49-4-915 or the supplemental award as a General Assembly Merit Scholar, but not both.
- (d) Tennessee Code Annotated, Section 49-4-920, is amended in subsections (d) and (e) by deleting the word "supplemental" wherever it appears and by substituting instead the word "ASPIRE".
- (e) Tennessee Code Annotated, Section 49-4-922, is amended by deleting the words "a supplemental award under § 49-4-915," and by substituting instead the words "an ASPIRE award under § 49-4-915,".

 SECTION 31.
- (a) A student who was eligible for a Tennessee HOPE scholarship, a General Assembly Merit Scholarship, or a Tennessee HOPE access grant for the 2004-2005 academic year, but who did not attend any postsecondary institution

in the 2004-2005 academic year, may apply for such scholarship or grant under the amendments made to title 49, chapter 4, part 9 by Sections 5 through 13 of this act. TSAC may award the scholarship, if the student meets all applicable requirements for the scholarship or grant and the student is admitted to and enrolls in an eligible postsecondary institution no later than sixteen (16) months after graduating from an eligible high school, graduating from a high school located in Tennessee that is not an eligible high school, completing high school in a Tennessee home school or obtaining a GED.

(b) A student may apply for the retroactive award of a Tennessee HOPE scholarship, a General Assembly Merit Scholarship, or a Tennessee HOPE access grant for any semester of the 2004-2005 academic year in which the student would have qualified for a scholarship or grant under Section 14, Sections 15 through 17, Sections 18 through 20, or Section 22 of this act, had such provisions been in effect during that academic year. TSAC may award the scholarship or grant retroactively, if the student meets all applicable requirements for the scholarship or grant.

SECTION 32. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 33. Sections 1, 2, and 3 of this act shall take effect July 1, 2007, the public welfare requiring it. All remaining sections of this act shall take effect upon becoming a law, the public welfare requiring it.